OUR MANDATE IS TO PROMOTE AND ASSIST IN THE DEVELOPMENT OF LIFELONG LEARNING FOR ALBERTANS THROUGH THE USE OF COMMUNICATIONS TECHNOLOGIES.

The Alberta
Educational
Communications
Corporation

18TH ANNUAL REPORT

April 1, 1990 to March 31, 1991

ACCESS NETWORK

TO DO THIS, THE CORPORATION PROVIDES SUPPORT, COOPERATION AND LEADERSHIP WITHIN A PROVINCE-WIDE SYSTEM OF FORMAL AND INFORMAL LEARNING OPPORTUNITIES.

92-04448/

ACCESS NETWORK

AWARDS

Won By ACCESS NETWORK 1990/91

Alberta Recording Industry Association *(February 1991)*

CKUA AM•FM
Radio Station of the Year

AMPIA *(February 1991)*

ASL in Canada: The Videodisc Dictionary
Honorable Mention (Interactive Video)

The Canada Series
Canada's Relationship With the Rest of the World
Honorable Mention (Educational)

You Only Have Your Wits
Honorable Mention (Motivational)

Kananaskis Country's Mammal Habitats
Honorable Mention (Interactive Video)

International Television Association *(February 1991)*

Kananaskis Country's Mammal Habitats
Silver Birch Award

AMTEC *(June 1990)*

ASL in Canada: The Videodisc Dictionary
Award of Merit

Junior High Ethics
Fairness and the Law
Award of Merit

ACCESS NETWORK is the trade name of The Alberta Educational Communications Corporation. The Corporation was established by provincial statute assented to May 10, 1973, and proclaimed October 17, 1973. Its purpose is to provide a framework within which educational broadcasting and the development, production and distribution of educational programs and materials can take place. ACCESS NETWORK is funded by a provincial government grant and self-generated revenues.

ACCESS NETWORK
16930 114 Avenue
Edmonton, Alberta
T5M 3S2

(403) 451-7272
1-800-252-9363
Fax: (403) 452-7233

ACCESS NETWORK
295 Midpark Way S.E.
Calgary, Alberta
T2X 2A8

(403) 256-1100
Fax: (403) 256-6837

CKUA AM•FM
4th Floor
10526 Jasper Avenue
Edmonton, Alberta
T5J 1Z7

(403) 428-7595
Fax: (403) 428-7624

OUR MANDATE IS TO PROMOTE AND ASSIST IN THE DEVELOPMENT OF LIFELONG LEARNING FOR ALBERTANS THROUGH THE USE OF COMMUNICATIONS TECHNOLOGIES.

LETTER OF TRANSMITTAL

Hon. Fred A. Stewart
Minister, Technology, Research and Telecommunications
403 Legislature Building
Edmonton, Alberta
T5K 2B6

Dear Mr. Stewart,

Further to the requirements of the Alberta Educational Communications Corporation Act, RSA 1980 Chapter A-18, Sec 12(2) as amended by the Alberta Educational Communications Amendment Act, 1981, Chapter 1, which states:

> "The report under subsection (1) shall be laid before the Legislative Assembly, if it is then sitting, and if it is not then sitting, within 15 days after the commencement of the next ensuing sitting."

It is a pleasure to provide the report for your review and for filing before the Legislative Assembly.

Yours truly,

Jim Woronuik
Chairman, Board of Directors

Peter L. Senchuk
President and Chief Executive Officer

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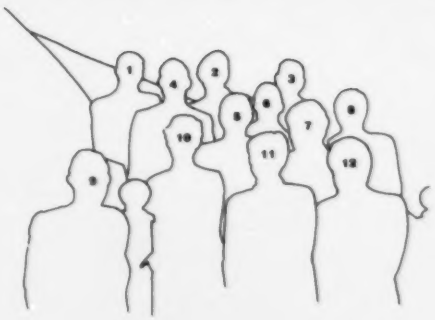
Organization
(Inside Back Cover)

Printed on Recycled Paper

OUR MANDATE IS TO PROMOTE AND ASSIST IN THE DEVELOPMENT OF LIFELONG LEARNING FOR ALBERTANS THROUGH THE USE OF COMMUNICATIONS TECHNOLOGIES.

BOARD OF DIRECTORS



1. Joe Forsyth
   Edmonton
2. Jim Woronuik
   Chairman
   Edmonton
3. Bill Hunchak
   Wetaskiwin
4. Steve Andrais
   Lamont
5. Harlan Hulleman
   Red Deer
6. Dr. Roger Palmer
   Edmonton
7. Neil Henry
   Edmonton
8. Ken Murricane
   Edmonton
9. Estelle Z. Botfield
   Lethbridge
10. Katharine Richmond
    Calgary
11. Janet Ramsey-Brown
    Stavely
12. Jim Kalmacoff
    Edmonton

Absent

13. Gail Hinchliffe
    Vice-Chairman
    Calgary
14. Lucille Schmidt
    Edmonton
15. Mary Stephenson
    Grande Cache

TO DO THIS, THE CORPORATION PROVIDES SUPPORT, COOPERATION AND LEADERSHIP WITHIN A PROVINCE-WIDE SYSTEM OF FORMAL AND INFORMAL LEARNING OPPORTUNITIES.

PRESIDENT'S MESSAGE

1990/91 was a year of self-examination for ACCESS NETWORK. Senior staff and board members took an in-depth look at the Corporation's current activities and financial realities, resulting in completion of a Corporate Directional Plan in October 1990. The plan proposed an internal restructuring that would reflect an increased business and market orientation for ACCESS NETWORK during future years of financial restraint. The plan also described new revenue-producing activities which would help the Corporation to significantly increase its independent financial base over the next three to five years. Major aspects of the plan were implemented in 1991.

ACCESS NETWORK expanded and improved its services to Albertans with the launch of an off-air television transmitter in Edmonton in April 1991. This new equipment provides ACCESS NETWORK programming to all non-cabled television viewers in the Edmonton area, increasing coverage to approximately 723,000 homes and schools via transmitter, cable and satellite service throughout Alberta. CKUA•FM reception was also improved with installation of new facilities at the Corporation's transmitter site in southeast Edmonton. Launch of these facilities followed the introduction of off-air television broadcast services in Calgary in 1989.

Students across Alberta, and increasingly throughout Canada and the United States, are utilizing video and audio series produced by ACCESS NETWORK in 1990/91. Curriculum-related programs such as *Math Sense, Program Continuity: The Positive Link*, and the *French Language Arts* audiotapes series meet the classroom needs of students and teachers in Alberta's elementary and secondary school system. Adult and post-secondary students are now benefitting from series such as *Day Care Matters*, a training tool for child care workers, and *Hands-On Democracy: The Story of Municipal Government*, produced for the University of Alberta to help attract and prepare individuals for elected office and public service.

ACCESS NETWORK's inventory of educational programs, both produced by the Corporation and acquired for distribution through the Media Resource Centre in Calgary, continues to be an important student learning resource for Alberta teachers. In 1990/91, 65,000 video and audio programs were dubbed for Alberta schools from more than 5,000 titles in the Media Resource Centre.

The Corporation's television and radio services continued to reflect Albertans' wish for educational, informative and appealing programming alternatives. The Independent Production Development Fund supported 18 Alberta and Canadian productions while providing ACCESS NETWORK with excellent television programming during the year. Audiences under the age of 12 are increasingly appreciative of ACCESS NETWORK television. The schedule attracted 50% of all children watching television on weekday mornings in Alberta in 1991. CKUA's high standard of programming and leadership in the support of the Alberta music industry was recognized by the Alberta Recording Industry Association with the Radio Station of the Year award in 1991.

A desire to maintain this high quality of programming led to cooperative arrangements with other Canadian educational broadcasters in 1990/91. Western Educational Broadcasters (WEB) was formed to maximize pre-license dollars available in Western Canada to support more indigenous television productions. During times of financial restraint, it will become more important to work collaboratively and cooperatively with organizations with similar objectives and mandates across the country.

The support received this year from the Government of Alberta, the Board of Directors, all staff and the thousands of Albertans who generously supported the Corporation's fundraising campaigns has enabled ACCESS NETWORK to continue its tradition of delivering quality educational communications services.

Peter L. Senchuk
President and Chief Executive Officer

EDUCATIONAL PROGRAMMING

1990/91 • VIDEO • PRODUCTIONS

ADULT

The Post-Secondary Maze

First broadcast as an interactive program, *The Post-Secondary Maze* helps students prepare for success in today's university or college.

A Place for Wildlife

Is a world that can't sustain wildlife ultimately capable of supporting human life? A provocative look at this issue for students and adults.

A Place For
Wildlife

Hands-On Democracy: The Story of Municipal Government

Produced for the University of Alberta's Government Studies extension program, this series stimulates interest in running for elected office and orients newly-elected people to the challenges they face as public representatives.

Day Care Matters

Active and aspiring day care workers now have this video series to enhance their training.

What's Cooking?

What's on the menu when you choose a career in commercial cooking? These video programs serve up the answers.

The Alberta Disc: A Course in Tourism Geography

Tourism students can sit back and visit the tourist destinations of Alberta with this interactive video disc and computer program.

Kananaskis Country's Mammal Habitats

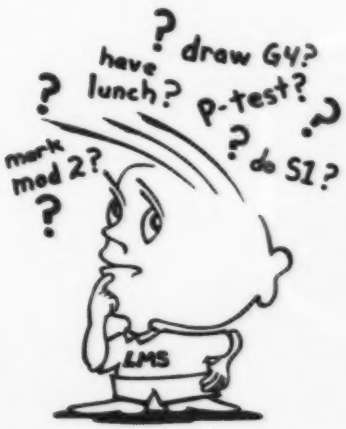
A hands-on exploration of the animals and habitats of Kananaskis Country, now in use at interactive display kiosks in two provincial parks.

Beyond the Open Door

A workplace discussion-starter about employment equity in our increasingly diverse work force.

CML: The Management of Learning

An orientation and learning tool for students and instructors using a computer managed learning system at the post-secondary level.



EDUCATIONAL PROGRAMMING

1990/91 • VIDEO • PRODUCTIONS

CHILDREN/YOUTH

A big year for the MRC

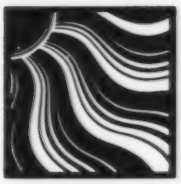
Alberta educators ordered dubs of more than 65,000 video and audio tapes from ACCESS NETWORK's Media Resource Centre in 1990/91. These programs are produced and acquired by ACCESS NETWORK to support educational endeavours in the province. Working in cooperation with Alberta Education and the regional resource and urban media centres, we jointly acquired or renewed 136 programs for schools in Alberta in 1990/91. That brings our collection to more than 5,000 titles, many of them accompanied by print support material.

Catch 31

Television tutors present lessons for distance learners on difficult concepts in the Math 31 curriculum.

Senior High Science

Teenagers dramatize the link between science, technology and society in this series, which includes teacher inservice for the new high school science curriculum.



Math Sense

Another senior high math video series which visualizes difficult mathematical concepts and shows their application to real life.

Program Continuity: The Positive Link

The first program of this three-part inservice series helps teachers ease their students' transition from Early Childhood Services to Grade 1.

A service for the night owls

Teachers can dub their own copies of popular ACCESS NETWORK video resources through our Night Owl service. All they have to do is refer to the Night Owl program schedule and set their video cassette recorders to tape the programs overnight. All programs have been copyright cleared for classroom or teacher inservice use. Night Owl is one more way we make it easy for educators to access our educational services.

The Canada Series

An upbeat and thought-provoking series for young people on the diversity of Canada. Available in French and English.

L'expérience langagière

Illustrates the strategy for using new French language arts teaching approaches in Alberta.

French Language Arts

An audio series emphasizing aural comprehension and listening skills for Francophone and French Immersion language arts students, while helping them gain a better understanding of the Francophone culture in Alberta.

Sales success across North America

ACCESS NETWORK programs are used by educators across North America, thanks to the continued success of our sales department. *The Survivor's Guide to Learning* and *The Harmony Puzzle/Solving the Harmony Puzzle* were widely previewed by satellite in the U.S. school system in 1990/91. The resulting sales reflect an increasing awareness of our product among U.S. educators.

A new focus on Canadian business, post-secondary and special interest markets led to increased non-broadcast sales this year. One success story: oil and gas companies across the country purchased *Petroleum: River of Energy* for their training offices in response to a direct-mail overture to this previously-untapped market.

ACCESS NETWORK Alberta Education Promo Video Disc

Helps teachers select and view short promos of 15 Alberta Education video productions in the categories of their choice.

"When ACCESS NETWORK is teamed up with Alberta Education, that's a very powerful combination. If watching a teacher resource can cut through administrative downtime ... then it's time well spent."

Stephen Leppard
Teacher
Malmo Elementary School
Edmonton

TELEVISION

On stream in Edmonton

The long-awaited moment arrived in March 1991. That's when our second off-air television transmitter went on stream, introducing the world of ACCESS NETWORK to 20% more Edmonton households. Now all homes and schools in the Edmonton area enjoy antenna reception of ACCESS NETWORK broadcasts. The new transmitter facilities also improve CKUA•FM broadcasts in the Edmonton area.

We've already experienced increases in our television audience and membership contributions since the transmitter was declared officially operative by Technology, Research and Telecommunications Minister Fred Stewart. ACCESS NETWORK television is now available to 723,000 homes and schools in Alberta through off-air transmitters in Edmonton and Calgary, and by cable and satellite throughout the province.

President and Chief Executive Officer Peter Senchuk (right) presents plaques commemorating launch of the Edmonton television transmitter to Board Chairman Jim Woronuik (left) and Hon. Fred Stewart, Minister of Technology, Research and Telecommunications (centre).

Showing some appreciation

Albertans appreciate ACCESS NETWORK. Membership support has grown steadily since ACCESS NETWORK began on-air fundraising in 1987. Campaign hosts Fred Keating and Judy Pal helped bring in 28% more membership dollars in 1990/91 than in the previous year. Albertans also responded favorably to our first direct-mail campaign in 1991. Public awareness of our membership program got a boost during the summer when volunteers and staff operated an information booth at Klondike Days in Edmonton. Our viewers support the concept of educational public television, both financially and through their comments and suggestions for improvement. Their contributions help us continue to build an inventory of the finest programming available.

A prime-time alternative

ACCESS NETWORK is Alberta's prime-time alternative for discerning viewers. Our program schedule reflects the preferences of members and viewers who provide regular feedback through our Membership Hotline and Second Look request services. Fifty per cent of our prime-time schedule is Canadian programming, acquired from the best independent producers and educational broadcasters. We are committed to pre[illegible]e 132 hours of local programmin[illegible]ach year.

Family Day Weekend is our gift to Alberta's families. With the support of five companies which underwrote part of the programming cost, we once again offered a special weekend of family viewing during Alberta's February long weekend in 1991.

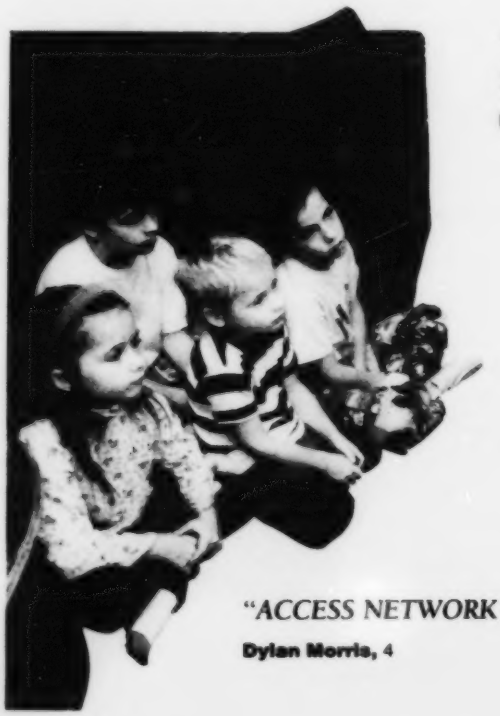
ACCESS NETWORK TELEVISION: educational and general-interest programming for Albertans of all ages, 8 am to midnight daily.

Children/Youth *40 hrs./wk.*	35.7%
Instructional/ School-related *28 hrs./wk.*	25%
Adult General Interest/Information *27.5 hrs./wk.*	24.6%
Miscellaneous (e.g. Alberta Legislature Question Period) *7.5 hrs./wk.*	6.7%
Adult/Family Drama *7 hrs./wk.*	6.2%
Performance/Arts *2 hrs./wk.*	1.8%
Total *112 hrs.*	100%

TELEVISION

"ACCESS NETWORK's got cartoons and lots of good things. There's lots of puppets in it and it has no commercials. Some shows are funny."

Conn Morris, 9
Ardrossan



"I like Today's Special and The Magic Library."

Bryn Morris, 8

"I watch it lots of times in the morning."

Tyren Morris, 5

"ACCESS NETWORK I like."

Dylan Morris, 4

Good morning, ACCESS NETWORK!

Some of our biggest fans are small fry! ACCESS NETWORK children's programs viewership increased notably in 1990/91. In fact, we now capture up to 50% of Alberta's total viewing audience under the age of 12 with our weekday morning schedule. Children under 12 years make up about one-third of our total television audience.

A mutual fan club

Now in its third year, the Independent Production Development Fund (IPDF) continues to be mutually beneficial for ACCESS NETWORK and the independent producers we work with. IPDF supports the Canadian private-sector film industry through pre-license agreements, direct funding and co-production assistance. In 1990/91, ACCESS NETWORK invested $246,000 in 18 productions which helped generate an estimated $1.2 million of video production activity in Alberta. With IPDF support, producers are able to secure full project funding from government or private sources. Meanwhile, we're assured of high-quality Canadian children's, cultural and documentary programming for the future.

A WEB of support

Provincial educational broadcasters are now looking at ways to jointly maximize their pre-licensing dollars. ACCESS NETWORK, Knowledge Network/Open Learning Agency in B.C. and the Saskatchewan Communications Network (SCN) formed an association in 1991 to encourage interprovincial cooperation in the production of educational materials. Western Educational Broadcasters (WEB) hopes to support more indigenous television productions from Western Canada producers in the future.

An expanding partnership

ACCESS NETWORK's partnership with Albertans goes beyond the viewers who so enthusiastically support us. We work with large and small businesses, charitable foundations, government agencies and special interest groups to bring quality programming to the television network while achieving common goals and objectives in the community. For example, in 1990/91 we secured funding for a national water management series, *The Living Flow*, scheduled for completion in 1992. Eight underwriters sponsored the acquisition of *Business Concepts*, a 59-part series about the economy which was distributed to junior and senior high schools. ACCESS NETWORK's quality programming continued to attract new sponsors and new commitments from existing underwriters in 1990/91.

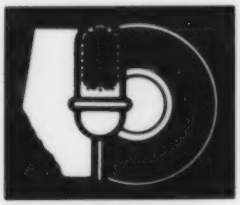
Homework is hot on ACCESS NETWORK

Join the crowd! Mike Grammar and the rest of the *Homework Hotline* characters have captured the imagination of junior high school students across the province. Canada's first live homework tutoring program, *Homework Hotline* enjoyed a successful sixth season in 1990/91. In a long-standing cooperative arrangement with The Alberta Teachers' Association, we provide the television technology while the ATA provides teachers and curriculum expertise. The result is a popular, action-packed show that keeps those telephones ringing!

RADIO

Radio station of the year

It was a proud moment! CKUA AM•FM was named Radio Station of the Year by the Alberta Recording Industry Association (ARIA) in 1991. The citation recognized CKUA's promotion of Alberta artists and the recording industry in the previous year.



Great Alberta Law Cases

Produced in cooperation with the Alberta Law Foundation, this popular program continued in 1991 with Series III. "Obituary for a Boxer," the story of the deadly final round of boxer Luther McCarty in Calgary in 1913, and "The Person's Case," the now-famous effort of five Alberta women to have women declared persons under the law, were two of the ten cases dramatized this year.

Benefitting Albertans

CKUA launched a series of benefit concerts in 1991 to showcase live performances of Alberta talent. The first concert was staged at The Banff Centre in March, featuring poet/songwriter Sid Marty, author W.O. Mitchell and Hot Too Swing Revue. The show was later broadcast for the benefit of CKUA listeners across the province. Other live concerts and broadcasts are planned in the future. Proceeds go to our programming fund.

Outstanding loyalty!

CKUA has exceptionally loyal listeners right across Alberta. Their generous support during our on-air fundraising campaigns bolsters the station's programming fund, helping us maintain our extensive music library.

One listener from the Lloydminster area is so fond of CKUA's programming that he donated $50,000 to the station. This anonymous donor dropped in to CKUA's Jasper Avenue offices one day to inquire about the possibility of installing an FM radio transmitter to improve the reception in the Lloydminster area. When told that would cost a minimum of $50,000, the retired music lover proceeded to write us a cheque! Plans are underway for installation of the transmitter next year.

World Music

All over the planet, music is influenced by international trends. From African to reggae to Arabic pop, *World Music* brings the sounds of other countries to Alberta.

"Conference Call opens your mind to the different opinions of other people."

Carmen Silzer, 15
St. Albert High School

"I'm glad that someone took the effort to put out something like Conference Call."

Matt Tanguay, 15
St. Albert High School

Conference Call

The Gulf Crisis. Abortion. Native rights. The Constitution. High school students from Alberta discussed these and other issues with their counterparts across the country and from as far away as Ireland and Arizona in 1990/91.

Celebrating Alberta sounds

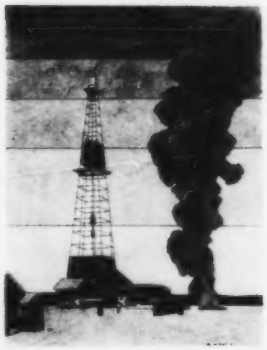
Sounds Alberta was a collector's item from Day One! CKUA's compact disc features 16 Alberta artists, with original material ranging from blues, a cappella, country and folk. Many of the artists were "discovered" by The Alberta Music Project, a program spearheaded by CKUA which gives studio time and air play to emerging Alberta talent in cooperation with radio stations across the province.

Theatre of the Air

Canadian radio drama is no longer a thing of the past. It reappeared on CKUA in 1990/91. We produced five Canadian plays in our studios for *Theatre of the Air*, a co-production of Athabasca University and CKUA. The plays were included in an exploration of classical and contemporary dramas during *Theatre of the Air's* seventh season.

Roughnecks, Wildcats and Doodlebugs

This 13-part anecdotal history of the Alberta oil patch touched a chord with many Albertans connected to the oil industry's rich and lively past.



Ask An Alcoholic

Produced in cooperation with Alcoholics Anonymous, this 13-part series offered personal glimpses into the lives of recovering alcoholics.

FINANCIAL STATEMENTS

AUDITOR'S REPORT

ALBERTA LEGISLATURE

OFFICE OF THE AUDITOR GENERAL

To the Directors of The Alberta Educational Communications Corporation and the Members of The Alberta Educational Communications Authority

I have audited the balance sheet of The Alberta Educational Communications Corporation as at March 31, 1991 and the statements of revenue, expenditure and operating equity, equity in property and equipment and changes in financial position for the year then ended. These financial statements are the responsibility of the Corporation's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Corporation as at March 31, 1991 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting as described in Note 2 to the financial statements.

Donald D. Salmon

FCA
Auditor General

Edmonton, Alberta
June 14, 1991

The Alberta Educational Communications Corporation

Balance Sheet

March 31, 1991

	1991	1990
Assets		
Current:		
Cash	**$1,191,931**	$ 437,049
Accounts receivable	**733,891**	606,485
Capital grant receivable	**-**	720,000
Inventories	**50,753**	48,209
Prepaid expenses and deposits	**316,911**	445,462
	2,293,286	2,257,205
Deferred program costs (Note 3)	**2,149,554**	2,121,819
Property and equipment (Note 4)	**4,023,458**	4,245,598
Long-term licenses (Note 5)	**137,125**	93,146
	$8,603,423	$8,717,768
Liabilities and Equity		
Current:		
Payables and accruals	**$2,157,538**	$1,665,761
Unexpended capital grants	**680,303**	837,147
Advances on co-productions	**330,974**	356,028
	3,168,815	2,858,936
Equity:		
Operating	**1,411,150**	1,613,234
In property and equipment	**4,023,458**	4,245,598
	5,434,608	5,858,832
	$8,603,423	$8,717,768

The accompanying notes are part of these financial statements.

The Alberta Educational Communications Corporation

Statement of Revenue, Expenditure and Operating Equity

For the Year Ended March 31, 1991

	1991	1990
Revenue		
Operating grant from the Province of Alberta	**$16,042,000**	$15,878,000
Revenue from program sales, video and audio dubbing (Note 6)	**1,090,433**	995,218
Direct costs recovered on production of programs	**209,422**	321,128
Membership contributions	**382,250**	478,744
Interest	**529,614**	369,204
Corporate Underwriting	**268,830**	175,431
Other	**50,939**	35,078
	18,573,488	18,252,803
Expenditure		
Development and production	**9,076,200**	8,406,021
Program support	**4,852,657**	4,614,381
Utilization and distribution	**4,846,715**	4,557,694
	18,775,572	17,578,096
Excess of (expenditure over revenue) revenue over expenditure for the year	**(202,084)**	674,707
Operating equity at beginning of year	**1,613,234**	938,527
Operating equity at end of year	**$ 1,411,150**	$ 1,613,234

The Alberta Educational Communications Corporation

Statement of Equity in Property and Equipment

For the Year Ended March 31, 1991

	1991	1990
Equity in property and equipment at beginning of year	$4,245,598	$4,632,993
Add:		
Unexpended capital grants at beginning of year	837,147	258,227
Capital grant from the Province of Alberta	500,000	1,220,000
Unexpended capital grants at end of year	(680,303)	(837,147)
Proceeds on sale of property and equipment	45,093	37,371
Capital donation	50,000	-
Total funds used to acquire property and equipment	751,937	678,451
Deduct:		
Amortization of property and equipment	936,775	1,034,617
Disposal of property and equipment, at cost less accumulated amortization of $1,289,479 (1990 $445,736)	37,302	31,229
	974,077	1,065,846
Equity in property and equipment at end of year	$4,023,458	$4,245,598

The Alberta Educational Communications Corporation

Statement of Changes in Financial Position

For the Year Ended March 31, 1991

	1991	1990
Operating activities:		
Excess of (expenditure over revenue) revenue over expenditure	$ (202,084)	$ 674,707
Add items not affecting cash:		
Amortization of long-term licenses	33,466	29,672
Amortization of deferred program costs	2,088,668	1,408,430
Net change in non-cash working capital balances relating to operations (Note 7)	465,524	(470,818)
Cash provided by operations	2,385,574	1,641,991
Investing activities:		
Additions to deferred program costs	(2,096,403)	(1,582,886)
Additions to property and equipment	(751,937)	(678,451)
Additions to long-term licenses	(77,445)	-
Capital grant from the Province of Alberta	500,000	1,220,000
Decrease (increase) in capital grant receivable	720,000	(720,000)
Proceeds on sale of property and equipment	45,093	37,371
Capital donation	50,000	-
Cash applied to investing activities	(1,610,692)	(1,723,966)
Increase (decrease) in cash	754,882	(81,975)
Cash at beginning of year	437,049	519,024
Cash at end of year	$1,191,931	$ 437,049

The Alberta Educational Communications Corporation

Notes to the Financial Statements

March 31, 1991

Note 1 Authority

The Alberta Educational Communications Corporation operates under the authority of the Alberta Educational Communications Corporation Act, Chapter A-18, Revised Statutes of Alberta 1980, as amended.

The Corporation is registered as a charitable organization with Revenue Canada.

Note 2 Significant Accounting Policies

General

These financial statements have been prepared in accordance with generally accepted accounting principles except that amortization of property and equipment is charged against equity in property and equipment.

Property and Equipment

Property and equipment is stated at cost less accumulated amortization. An equivalent amount is reported as equity in property and equipment.

Amortization is calculated using the straight-line method as follows:

	Years of Useful Life	Salvage Value as % of Cost
Buildings	30	-
Land improvements	7	-
Transmission equipment	10	5%
Studio and technical equipment	7	5%
Automotive	5	15%
Mobile equipment	7	5%
Furniture, fixtures and office equipment	7	5%

Leasehold improvements are amortized on the straight-line basis over the remaining term of the lease plus one renewal period.

Deferred program costs

Programs purchased from other agencies are recorded at cost less amortization calculated using diminishing annual rates as a percentage of cost over the period (to a maximum of four years) for which the right to use the program has been acquired.

During the year, the Corporation revised its rate of amortization from a half year to a full year in the year of acquisition. This change has been applied prospectively and has resulted in an increase of amortization in the current year of approximately $460,000.

Long-term licenses

The long-term licenses are recorded at cost less accumulated amortization. Amortization is calculated using the straight-line method over a term of twenty years for the broadcast license and five years for computer software licenses.

Inventories

Inventories consist of video and audio tapes and disks and are recorded at the lower of cost and net realizable value.

Program productions

All direct costs of programs developed and produced by the Corporation are charged against operations in the year incurred as significant cost recoveries are not normally expected from these programs after the initial year of production and broadcasting.

Membership contributions

Membership contributions are recorded on a cash basis.

Note 3 Deferred Program Costs

	1991	1990
Cost	**$7,092,387**	$6,221,186
Accumulated amortization	**(4,942,833)**	(4,099,367)
Net book value	**$2,149,554**	$2,121,819

Note 4 Property and Equipment

		1991		1990
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Buildings and land improvements	$ 330,536	$ 164,684	**$ 165,852**	$ 147,797
Transmission equipment	3,315,038	1,965,630	**1,349,408**	946,499
Studio and technical equipment	9,203,925	7,827,962	**1,375,963**	1,779,568
Automotive and mobile equipment	511,092	421,524	**89,568**	109,787
Furniture, fixtures and office equipment	2,029,161	1,376,692	**652,469**	797,910
Leasehold improvements	722,839	332,641	**390,198**	464,037
	$16,112,591	$12,089,133	**$4,023,458**	$4,245,598

Note 5 Long-term Licenses

	1991			1990
	Cost	Accumulated Amortization	Net Book Value	Net Book Value
Computer software licenses	$203,309	$103,684	$ 99,625	$91,146
Broadcast license	90,000	52,500	37,500	42,000
	$293,309	$156,184	$137,125	$93,146

Note 6 Revenue from Program Sales, Video and Audio Dubbing

This consists of:

	1991	1990
Educational television and radio programs sold to organizations resident primarily outside Alberta	$ 380,540	$453,507
Dubbing of programs requested by various educational institutions primarily within Alberta	248,040	188,039
Other dubbing services and sale of computer diskettes, print materials, multi-media kits and program brochures	461,853	353,672
	$1,090,433	$995,218

Note 7 Net Change in Non-cash Working Capital Balances Relating to Operations

	1991	1990
Accounts receivable	$(127,208)	$ 23,906
Inventories	(2,544)	(5,966)
Prepaid expenses and deposits	128,551	(85,075)
Payables and accruals	491,777	(291,943)
Advances on co-productions	(25,054)	(111,740)
	$465,524	$(470,818)

Note 8 Commitments

The Corporation had the following commitments at the year-end:

a) **Productions in Progress**

The Corporation had a number of productions in progress at March 31, 1991. The costs for completion of these productions in progress are estimated at $560,000 (1990 $850,000).

b) **Realty and Equipment Leases**

The Corporation is committed to rental payments under realty and equipment leases. Minimum annual rental payments during the next five fiscal years are as follows:

1992	$1,130,000
1993	975,000
1994	215,000
1995	4,500
1996	2,000

c) **Satellite Transmission Services**

The Corporation is also committed to satellite transmission services during fiscal 1992 under an annually renewable lease of $1,390,000 per year.

Note 9 Approval of Financial Statements

These financial statements were reviewed by management and the Audit Committee and recommended for approval by the Board.

Our thanks to the following corporate underwriters who helped present quality programming to Albertans in 1990/91:

AGT

Alberta Association of Municipal Districts and Counties

Alberta Consumer and Corporate Affairs

Alberta Energy

Alberta Foundation for Economic Education

Alberta Law Foundation

Alberta Multiculturalism Commission

Alberta Municipal Affairs

Alberta Occupational Health and Safety

Alberta Treasury Branches

Alberta Urban Municipalities Association

Alberta Wheat Pool

Audio Ark

Brinner Travel Ltd.

Canada Safeway Limited

Canadian Society of Safety Engineering

Canadian Western Natural Gas/ Northwestern Utilities

Chevron Canada Resources

Credit Union Central of Alberta

Energy, Mines and Resources Canada

Esso/Imperial Oil Limited

Fanny's Fabrics

Fidelio Records Ltd.

HMV

Institute of Chartered Accountants of Alberta

Kentucky Fried Chicken

Nickle Family Foundation

Norcen Energy Resources Limited and Superior Propane

Petroleum History Society

Petroleum Resources Communication Foundation

Recreation, Parks and Wildlife Foundation

Rotary International

SunRype

The Gramophone

The Nat Christie Foundation

The Sovereign General Insurance Company

The Department of the Secretary of State of Canada

The Brick

Time Air

TransAlta Utilities

Trans Mountain

Travel Alberta

ORGANIZATION

as of March 31, 1991

Chairman
Board of Directors
Jim Woronuik

President and Chief Executive Officer
P. L. Senchuk

Executive Assistant
N. Papanicolas

Director
Human Resources Development
R. Salt

Director
Legal Services
I. Nicol

EDUCATIONAL PROGRAMMING AND ADMINISTRATION

General Manager
J. Kawashima

Director
Educational Programming
J. Campbell

Director
Edmonton Production
S. Borland

Director
Calgary Production
V. Marsh

Director
Educational Technology
Vacant

Director
Media Resource Centre
Vacant

Controller
D. Muylle

Manager
Information Systems
L. Hulty

Associate Director
Youth/Children Programming
S. Beresh

Associate Director
Adult Programming
M. Hildebrand

TELEVISION

General Manager
M. Knox

Director
Communications
N.J. Barr

Director
Television Programming
M. Schreiner

Director
Marketing
P. Shanks

Manager
Edmonton Technical Services
N. Tegart

Manager
Edmonton Operations
T. Magliotta

Manager
Calgary Operations
D. Maynard

Manager
Acquisitions and Scheduling
S. Perkins

Manager
Broadcast Promotions
B. Close

RADIO

General Manager
D. Thomas

Manager
Programming
J. Rollans

Supervisor
Broadcast
S. Sabourin

Supervisor
News
K. Regan

Supervisor
Engineering
N. Lutes